

Exhibit L



**BCause LLC**

**Core Principles Chart**

Core Principle	BCause LLC Rule / Policy /Procedure
<p><b>Core Principle 1 – Designation as DCM</b></p> <p>(a) <i>In general.</i> To be designated, and maintain a designation, as a contract market, a board of trade shall comply with:</p> <p>(1) Any core principle described in section 5(d) of the Act, and</p> <p>(2) Any requirement that the Commission may impose by rule or regulation pursuant to section 8a(5) of the Act.</p> <p>(b) <i>Reasonable discretion of the contract market.</i> Unless otherwise determined by the Commission by rule or regulation, a board of trade described in paragraph (a) of this section shall have reasonable discretion in establishing the manner in which the board of trade complies with the core principles described in this subsection.</p>	<p>The responses in this Regulatory Chart, the Rulebook (Exhibit M), procedures and other materials submitted in the application demonstrate that BCause LLC (“<b>BCause</b>” or “<b>Exchange</b>”) meets the DCM core principles and CFTC regulations.</p> <p>As a “board of trade”, BCause:</p> <p>Will offer an electronic trading platform that utilizes a traditional central order book that displays pre-trade transparency of orders submitted to the trading platform.</p> <p>Will make the trading platform available to all qualified parties that have properly registered with BCause as Authorized Participants (CP2);</p> <p>Will establish trade practice rules to ensure fair and equitable trading (CP2);</p> <p>Has designed its Exchange System to execute orders impartially on a price and time basis (CP9);</p> <p>Will maintain appropriate audit trails for all orders and trades (CP10);</p> <p>Has rules that establish a market promoting fair and equitable trading and prohibits fictitious transactions; demoralization of the market; market manipulation and attempted market manipulation (CP12);</p>
<p><b>Core Principle 2 – Compliance with Rules</b></p> <p>(a) <i>In general.</i> The board of trade shall establish, monitor, and enforce compliance with the rules of the contract market, including:</p> <p>(1) Access requirements;</p> <p>(2) The terms and conditions of any contracts to be traded on the contract market; and</p> <p>(3) Rules prohibiting abusive trade practices on the contract market.</p>	<p>Trading on BCause occurs electronically, on a commercial trade execution system (“<b>Exchange System</b>”). Rules 301 – 307 address the access requirements for clearing firms and market participants. Rules 302 and 308 specifically address market participants’ consent to be bound by exchange rules even after access has terminated. BCause rules and policies regarding access and costs (including fees) are impartial and non-discriminatory. Rule 301 (c)(i) allows a Clearing Firm applicant that has been denied approval to establish a direct connection to the Exchange System to appeal the Exchange’s decision. Market participants, whether Direct Access Participants or connecting through a Clearing Firm’s front-end, are</p>

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<p>(b) <i>Capacity of contract market.</i> The board of trade shall have the capacity to detect, investigate, and apply appropriate sanctions to any person that violates any rule of the contract market.</p> <p>(c) <i>Requirement of rules.</i> The rules of the contract market shall provide the board of trade with the ability and authority to obtain any necessary information to perform any function described in this section, including the capacity to carry out such international information-sharing agreements, as the Commission may require.</p>	<p>granted access to the Exchange System via the Clearing Firms.</p> <p>BCause has trade practice rules to ensure fair and equitable trading on the Exchange System. BCause rules prohibit:</p> <ul style="list-style-type: none"> <li>• Pre-arranged trades, subject to a limited exception for permissible pre-execution discussions (Rule 420);</li> <li>• Knowingly trading ahead of or opposite a customer order (Rules 415, 416 and 417);</li> <li>• Withholding orders from the market (Rule 418);</li> <li>• Disclosing a customer’s order (Rule 419);</li> <li>• Accepting simultaneous offsetting buy and sell orders from a customer or accounts under a common beneficial owner or under common control (Rules 421 and 422); and</li> <li>• Fictitious transactions (Rule 424).</li> </ul> <p>BCause also has rules prohibiting demoralization of the market and market manipulation and attempted market manipulation. See Rules 423, 425 and 426. BCause also has various pre-order and trade practice rules. See Rules 409 through 422.</p> <p>BCause has held discussions with the National Futures Association and intends to enter into a Regulatory Services Agreement (“<b>RSA</b>”) with NFA. The agreement will be executed approximately 4-6 months prior to the Exchange’s market launch that will occur during the CFTC’s review period for the Exchange’s DCM application. NFA will conduct trade practice surveillance and market surveillance with respect to BCause’s markets, conduct investigations of potential violations of BCause rules and assist BCause in bringing disciplinary actions with respect to suspected violations of BCause rules. BCause Rulebook Chapter 5– Business Conduct among other things, requires Clearing Firms and market participants to cooperate in investigations (Rule 512) and to make books and records available to the Exchange (Rule 502).</p> <p>NFA will conduct trade practice surveillance on a T+1 basis, using end-of-day audit trail information provided by the Exchange. In addition, BCause has procedures for real-time market supervision. As explained in Chapter 2 of the BCause LLC Regulatory Compliance</p>

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	<p>Manual (“<b>Compliance Manual</b>”), BCause compliance staff will monitor trading on a daily basis, using real-time surveillance screens to detect potential market anomalies; trade practice violations; and to provide support to market participants. The Market Supervision Procedures provide more detail on functions that the Compliance Department’s Trading Operations and Market Supervision staff will perform.</p> <p>BCause has a Chief Regulatory Officer (“<b>CRO</b>”), who is responsible for overseeing BCause’s regulatory program and for coordinating compliance and enforcement activities with NFA. The Compliance Manual describes the procedures for coordinating such activities with NFA, which include requirements for maintaining logs on investigations and creating reports on investigation findings.</p> <p>BCause is in the process of joining the Joint Audit Committee (“<b>JAC</b>”) comprised of financial surveillance and audit staff of the NFA and other DCMs to enhance its monitoring of the financial compliance of its Clearing Firms. BCause will provide the CFTC with confirmation of its acceptance into the JAC. In addition, prior to the launch of its initial markets, BCause intends to become a signatory to the International Information Sharing Memorandum of Understanding and Agreement (“<b>Boca Declaration</b>”) executed by the initial signatories as of March 15, 1996. BCause will provide the CFTC with confirmation of its addition to the information sharing agreement.</p> <p>As a DCM, BCause recognizes that it has an on-going responsibility to ensure it adopts, modifies and enforces its rules and procedures to meet its regulatory requirements.</p>
<p><b>Core Principle 3 – Contracts Not Readily Subject to Manipulation</b></p> <p>The board of trade shall list on the contract market only contracts that are not readily susceptible to manipulation</p>	<p>BCause intends to initially list a standard futures index product contract based on the decentralized cryptocurrency, Bitcoin. The contract will be cash settled against a publicly published index.</p> <p>The cash settled Bitcoin Index Futures Contract (“<b>Contract</b>”) will be settled against the BCause Bitcoin Price Index (“BCause Bitcoin Index<sup>SM</sup>”). The Contract will not be readily susceptible to manipulation as it is a cash settled index product; and the index is being compiled daily. The index is derived from price data</p>

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	<p>provided by numerous, qualifying crypto-currency spot markets. The index is comprised of prices and bid/ask prices from these crypto-currency spot markets. BCause has documented the index calculation methodology along with the qualifications and ongoing requirements of spot markets to be participants in the Index. As the Contract will be cash settled, theoretically, there is an infinite “supply” of positions to be taken. As such, manipulation concerns are not an issue. However, the BCause full Contract submission will include a narrative of the contract; information regarding the cash market; historical prices; and justification for reasonable speculative position limit levels that will address the requirement of Core Principle 3.</p>
<p><b>Core Principle 4 – Prevention of Market Disruption</b></p> <p>The board of trade shall have the capacity and responsibility to prevent manipulation, price distortion, and disruptions of the delivery or cash-settlement process through market surveillance, compliance, and enforcement practices and procedures, including:</p> <p>(a) Methods for conducting real-time monitoring of trading; and</p> <p>(b) Comprehensive and accurate trade reconstructions.</p>	<p>BCause standards and procedures for listing contracts are set out in Chapter 9 of the Rulebook. BCause’s intended initial product, a cash-settled Bitcoin Index Futures, is a derivative on the fasted growing crypto-currency market. The Exchange will work closely with its Clearing House, to establish proper margin requirements to cover an appropriate level of market risk.</p> <p>As stated in Core Principal 2, BCause has rules requiring Clearing Firms and market participants to cooperate in investigations (Rule 512) and to make books and records available to the Exchange (Rule 502).</p> <p>BCause Market Supervision procedures and the Exchange System enable the Exchange to properly monitor the market in real-time and to take appropriate actions to avoid or effectively manage market disruptions. The Exchange will be able to effectively communicate with its users through the Exchange System to notify the market of a situation that may require action to avoid or minimize market risks, including market halts and resumptions; product or contract month halts; Clearing Firm or user suspensions; etc. Additionally, the Exchange System will enable the compliance staff to assist market participants in the event a Clearing Firm or Direct Market Access Authorized Participant experience problems with their connectivity or difficulty with their front-end systems. Assistance will include cancellation of orders or suspending access.</p>

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	<p>BCause Rule will require appropriate pre-trade risk controls intended to ensure only appropriate orders may enter the Exchange System.</p> <p>The Exchange System captures all order and trade execution related data and assembles it in audit trail files. The audit trail file is provided to NFA daily. In addition, all system data is captured in a data warehouse. The information will be available to the Exchange in any formats required. The Exchange expects to be fully engaged with the NFA approximately 90 days prior to the BCause initial launch. At a time shortly afterwards, test audit trail reports will be available for the CFTC's review. The Exchange plans to conduct periodic audits of its audit trail data to ensure its market participants are submitting complete and accurate information within the orders.</p> <p>With regards to subsection 38.257 – Regulatory Service Provider, see Core Principle 2 whereby BCause presents its relationship with the NFA through a regulatory services agreement.</p>
<p><b>Core Principle 5 – Position Limitations or Accountability</b></p> <p>To reduce the potential threat of market manipulation or congestion (especially during trading in the delivery month), the board of trade shall adopt for each contract of the board of trade, as is necessary and appropriate, position limitations or position accountability for speculators. For any contract that is subject to a position limitation established by the Commission, pursuant to section 4a(a), the board of trade shall set the position limitation of the board of trade at a level not higher than the position limitation established by the</p>	<p>Rule 904 – Contracts Subject to Position Limits or Position Accountability states that each Contract shall be subject to a position limit or position accountability levels.</p> <p>BCause intends to adopt speculative position limits along with hedge exemption levels for its Contracts. The speculative position limits and hedge exemption levels justification will be provided as part of a Contract submission.</p>

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Commission.	
<p><b>Core Principle 6 – Emergency Authority</b></p> <p>The board of trade, in consultation or cooperation with the Commission, shall adopt rules to provide for the exercise of emergency authority, as is necessary and appropriate, including the authority:</p> <p>(a) To liquidate or transfer open positions in any contract;</p> <p>(b) To suspend or curtail trading in any contract; and</p> <p>(c) To require market participants in any contract to meet special margin requirements.</p>	<p>BCause may take emergency action to address any occurrence or circumstance that threatens or may threaten the integrity of its markets. See Rule 427(a) and definition of “Emergency” in Rule 101. BCause has the authority to take a range of emergency actions, as set out in Rule 427(a), including limiting trading to liquidation only and ordering liquidation or transfer of open positions.</p> <p>BCause also has the authority to take emergency action in the event of a physical emergency, such as to suspend trading or delay the open of trading. See Rule 427(b).</p> <p>BCause will notify the CFTC of any emergency action, whether to address a physical or non-physical emergency, and will use reasonable efforts to provide notification prior to implementing the action. See Chapter 5 of the Compliance Manual. Pursuant to Rule 427(c), it will also post notice of any emergency action on its website when feasible; and, in accordance with the Market Supervision Procedures, send an email to Authorized Participants as soon as practicable; and if the Exchange System is available, post a message to Authorized Participants through the Exchange System.</p>
<p><b>Core Principle 7 – Availability of General Information</b></p> <p>The board of trade shall make available to market authorities, market participants, and the public accurate information concerning:</p> <p>(a) The terms and conditions of the contracts of the contract market; and</p> <p>(b)</p> <p>(1) The rules, regulations and mechanisms for executing transactions on or through the facilities of the contract market, and</p>	<p>BCause will publish its Rulebook and specifications for each Contract it lists for trading on its website. The Rulebook will be updated on the website when any rule is adopted or modified. Additionally, the Exchange will post notices of pending rule changes and other relevant matters on its website, as well as providing the notices electronically to its Clearing Firms and other interested parties.</p> <p>The Rulebook includes rules that describe the mechanisms for executing transactions on the Exchange System. See Rules 401 through 410. The BCause website will contain information regarding the Exchange System’s structure, architecture, mechanics, characteristics and other elements that may affect how market participant orders are received and executed. The website will also contain information regarding the requirements for accessing the Exchange System.</p>

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<p>(2) The rules and specifications describing the operation of the contract market's:</p> <p>(i) Electronic matching platform, or</p> <p>(ii) Trade execution facility.</p>	<p>The Rulebook contains rules that set out the standards and procedures for listing of contracts, and the format for setting out the specific terms and conditions for a contract. See Chapter 9 and subsequent contract chapters and appendices.</p> <p>The BCause website will have calendars of listing and expiration dates for all Contracts and expiration months.</p> <p>BCause will post to its website non-confidential materials associated with regulatory filings relating to rules and new products at the time the Exchange submits the filings to the CFTC.</p>
<p><b>Core Principle 8 – Daily Publication of Trading Information</b></p> <p>The board of trade shall make public daily information on settlement prices, volume, open interest, and opening and closing ranges for actively traded contracts on the contract market.</p>	<p>BCause intends to publish on its website, on a daily basis, information on settlement prices, volume and open interest for all contracts it lists.</p>
<p><b>Core Principle 9 – Execution of Transactions</b></p> <p>The board of trade shall provide a competitive, open, and efficient market and mechanism for executing transactions that protects the price discovery process of trading in the centralized market of the board of trade. The rules of the board of trade may authorize, for bona fide business purposes:</p> <p>(a) Transfer trades or office trades;</p> <p>(b) An exchange of:</p> <p>(1) Futures in connection with</p>	<p>Trading occurs on the Exchange System, which provides an efficient mechanism for executing transactions. Orders are executed impartially in accordance with the Exchange System execution algorithm based on price and time priority. See Rule 406.</p> <p>BCause has adopted trade practice rules designed to provide a competitive, open and efficient market for executing transactions. BCause has rules that identify allowable orders (Rule 408) and rules that prohibit:</p> <ul style="list-style-type: none"> <li>• Pre-arranged trades, subject to a limited exception for permissible pre-execution discussions (Rule 420);</li> <li>• Knowingly trading ahead of or opposite a customer order (Rules 415, 416 and 417);</li> <li>• Withholding orders from the market (Rule 418);</li> <li>• Disclosing a customer's order (Rule 419);</li> </ul>



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<p>a cash commodity transaction;  (2) Futures for cash commodities; or  (3) Futures for swaps; or</p> <p>(c) A futures commission merchant, acting as principal or agent, to enter into or confirm the execution of a contract for the purchase or sale of a commodity for future delivery if the contract is reported, recorded, or cleared in accordance with the rules of the contract market or a derivatives clearing organization.</p>	<ul style="list-style-type: none"> <li>• Accepting simultaneous offsetting buy and sell orders for the same principle (Rule 421); and</li> <li>• Fictitious transactions (Rule 424).</li> </ul> <p>BCause initial products will be cash settled. Therefore, the Exchange does not anticipate allowing exchanges of derivatives for related position during its initial launch of its markets. If BCause determines that such transactions would be beneficial to its market participants, BCause will adopt the appropriate rules and procedures.</p> <p>Transfer trades are post execution events that will be handled through the Clearing House. The Clearing House will maintain the audit trail for transfer trades associated with BCause Contracts. Rule 428 allows for transfer trades provided no change in ownership is involved.</p>
<p><b>Core Principle 10 – Trade Information</b></p> <p>The board of trade shall maintain rules and procedures to provide for the recording and safe storage of all identifying trade information in a manner that enables the contract market to use the information:</p> <p>(a) To assist in the prevention of customer and market abuses; and</p> <p>(b) To provide evidence of any violations of the rules of the contract market.</p>	<p>The Exchange System creates and captures complete audit trail information with respect to submission, modification, cancellation and execution of all orders on the Exchange System. See the discussion of audit trail functionality in the document entitled “DCM Operational Capability Technology Questionnaire” and its exhibits.</p> <p>BCause has adopted a “Compliance Audit Trail Program and Procedures” document with the purpose to ensure the integrity of its audit trail, such that the data has validity, accuracy and completeness.</p> <p>The Exchange will maintain all audit trail information for each Business Day for a minimum of 5 years and have readily available such information for the most current 2 years.</p>
<p><b>Core Principle 11 – Financial Integrity of Transactions</b></p> <p>The board of trade shall establish and enforce:</p> <p>(a) Rules and procedures for ensuring the financial integrity of transactions entered into on or through</p>	<p>BCause has entered into a Letter of Intent (“LOI”) for clearing services with the Options Clearing Corporation (“OCC” or “Clearing House”), a registered Designated Clearing Organization (“DCO”) with the CFTC. Under the LOI, BCause and OCC will complete the integration of the Exchange System to the OCC clearing systems and conduct end-to-end testing with BCause Clearing Firms. Prior to the launch of the BCause markets, a Clearing</p>

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<p>the facilities of the contract market (including the clearance and settlement of the transactions with a derivatives clearing organization); and</p> <p>(b) Rules to ensure:</p> <p>(1) The financial integrity of any:</p> <p>(i) Futures commission merchant, and</p> <p>(ii) Introducing broker; and</p> <p>(2) The protection of customer funds.</p>	<p>Services Agreement (“<b>CSA</b>”) will be executed with the OCC. BCause will provide the CSA to the CFTC.</p> <p>An entity must be an approved BCause Clearing Firm in order to clear transactions in BCause contracts. See Rule 801. To qualify as a BCause Clearing Firm, an entity must be a clearing member in good standing in the Clearing House; be authorized by the Clearing House to clear and settle trades in BCause contracts; and establish and maintain access to the Exchange System. A Clearing Firm must also agree to abide by BCause rules and applicable Clearing House regulations with respect to BCause contracts. See Rules 801(b) and 802(c)</p> <p>A Clearing Firm that is a registered futures commission merchant (“<b>FCM</b>”) controls its customers’ access to the Exchange System. A Clearing Firm may permit its customers to transmit orders to the Clearing Firm over the Clearing Firm’s access method. See Rule 302. A Clearing Firm may also authorize a customer to have a direct connection and to permit a customer to enter orders to the Exchange System through an Exchange approved method as a Direct Market Access Authorized Participant. See Rules 303 and 304.</p> <p>The Clearing Firm guarantees the financial obligations of each of its customers. See Rules 306 and 802. The Clearing Firm may terminate an Authorized Participant’s or Direct Market Access Authorized Participant’s access at any time, by taking prescribed steps. See Rules 302(c) and 303(c).</p> <p>A Clearing Firm is responsible for conducting due diligence on its customers, including any customer for which it authorizes access as an Authorized Participant or Direct Market Access Authorized Participant. A Clearing Firm will conduct an appropriate level of due diligence and screening of its customers, because it is financially liable for all trades of any Authorized Participant and any Direct Market Access Authorized Participant.</p> <p>A Clearing Firm is responsible for supervising the use by its customers of their access to the Exchange System in accordance with the NFA Interpretive Notice under NFA Compliance Rule 2-9 on Supervision of User of Automated Order Routing Systems. See Rule 305. BCause has incorporated the relevant standards from</p>

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	<p>such notice into Rule 305, including the provisions with respect to the use of pre- or post-execution controls.</p> <p>The Clearing House establishes Clearing Member margin requirements with respect to BCause contracts. See Rule 802(b). The Clearing House, in consultation with BCause, will establish customer margin requirements for BCause contracts, subject to the BCause Board's authority to increase such margin levels for any contract. See Rule 902(a).</p> <p>BCause also imposes various requirements with respect to a Clearing Firm's customer margin obligations to assure integrity of the customer margining process. See Rule 902(b) through (g).</p> <p>BCause has the authority to impose conditions or restrictions, or take other actions, when an FCM Clearing Firm is subject to the early warning requirements in CFTC Rule 1.12. See Rule 505. BCause would coordinate with the Clearing House, which has separate authority to take action over its clearing members.</p> <p>A violation of CFTC net capital or customer funds segregation requirements by an FCM Clearing Firm constitutes a BCause rule violation. See Rules 504 and 506.</p> <p>The Clearing House will monitor the financial condition of its clearing members throughout the day based on previous day's reported open interest from the clearing members and updated for current day's trading activities. The modified position levels will be valued against current spot market prices for bitcoin and BCause market prices and compared to a clearing member's capital levels and margin deposits.</p> <p>OCC is the primary clearinghouse for equity options in the U.S., and also provides clearing for a number of smaller volume futures exchange markets. The major broker dealers / FCMs are clearing members of OCC. Additionally, these broker dealers / FCMs are clearing members at the two major U.S. based futures exchanges. BCause intends to market its products to the existing OCC clearing members. BCause does not anticipate approving as a Clearing Firm any FCM or proprietary trading firm that is not currently a clearing member of the OCC or a clearing member of other U.S. DCOs.</p>

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	<p>OCC has monitoring programs that enable it to monitor market exposures for its clearing members across all the markets and products for which it provides clearing services. The BCause volume will not pose systemic risk to OCC, its clearing members, or the industry as the volume and notional value of its products will be minimal in comparison to the notional value of the total volumes cleared by OCC or the two major U.S. futures markets. Therefore, the monitoring conducted OCC for BCause market activity on its clearing members based on all the markets it monitors is far superior and meaningful than BCause’s limited ability to evaluate it Clearing Firms’ capital exposure based on a very isolated view provided by its products. BCause will establish procedures with the OCC to ensure it is informed of any OCC concerns regarding financial concerns pertaining to BCause Clearing Firms.</p> <p>As indicated in Core Principle 2, BCause will become a member of the Joint Audit Committee (“<b>JAC</b>”). Therefore, its Clearing Firms will be subject to financial oversight either by the Exchange or by another DCM based on DSRO assignment. BCause will be an active participant in the JAC. The BCause COO/CRO is a former chairman of the JAC; participated with the group for nearly twenty (20) years; and is knowledgeable of the processes and coordination aspects of the JAC.</p>
<p><b>Core Principle 12 – Protection of Markets and Market Participants</b></p> <p>The board of trade shall establish and enforce rules:</p> <p>(a) To protect markets and market participants from abusive practices committed by any party, including abusive practices committed by a party acting as an agent for a participant; and</p> <p>(b) To promote fair and equitable trading on the contract market.</p>	<p>BCause has rules that establish a market promoting fair and equitable trading and prohibits fictitious transactions; demoralization of the market; market manipulation and attempted market manipulation. See Rules 423 through 426. BCause also has various trade practice rules. See Rules 412 through 422.</p> <p>Furthermore, the RSA with the NFA stipulates the programs to be employed by the NFA to detect trade practice and market abuses.</p>

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<p><b>Core Principle 13 – Disciplinary Procedures</b></p> <p>The board of trade shall establish and enforce disciplinary procedures that authorize the board of trade to discipline, suspend, or expel members or market participants that violate the rules of the board of trade, or similar methods for performing the same functions, including delegation of the functions to third parties.</p>	<p>BCause has rules setting out procedures governing disciplinary proceedings. See Chapter 6 of the Rulebook.</p> <p>In practice, NFA will conduct trade practice surveillance and market surveillance; conduct investigations of potential violations of BCause rules; and assist BCause in bringing disciplinary actions with respect to suspected violations of BCause rules.</p> <p>The BCause CRO will oversee the regulatory program and coordinate compliance and enforcement activities with NFA. The CRO reports to the Regulatory Oversight Committee, which is authorized to oversee the Exchange’s regulatory program, as more fully described in the response to Core Principle 16.</p> <p>Chapter 6 of the Rulebook sets out disciplinary procedures for enforcing compliance with BCause rules. The Exchange has the authority to take disciplinary action against any Clearing Firm, Authorized Participant or Direct Market Access Authorized Participant. See Rule 601. BCause will coordinate with the Clearing House with respect to a disciplinary matter involving a Clearing Firm. See Chapter 6 of the Compliance Manual.</p> <p>The Chapter 6 rules incorporate by reference the disciplinary procedures set out in NFA Compliance Rules 3-2 through 3-13, subject to modifications, to refer to BCause’s disciplinary bodies, CRO and rules. See Rules 603 and 605.</p> <p>The Business Conduct Committee is responsible for reviewing investigative reports and is authorized to initiate disciplinary action. See Rules 206 and 604 and NFA Compliance Rules 3-2 through 3-4. The Hearing Committee is authorized to adjudicate disciplinary charges. See Rules 207 and 605(b) and NFA Compliance Rules 3-5 through 3-10. The Board may on its own motion review a decision by the Hearing Committee. See Rule 605(d) and NFA Compliance Rule 3-13.</p> <p>The Business Conduct Committee, Hearing Committee or Board may settle a disciplinary proceeding upon acceptance of a settlement offer, as applicable based on the stage of the proceeding. See Rule 606 and NFA</p>

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	<p>Compliance Rule 3-11. Rule 604 sets out the range of penalties that may be imposed.</p> <p>Rule 605 sets out the authority and procedures pursuant to which the BCause President, with the concurrence of the Board, may summarily suspend access to the Exchange System by a Clearing Firm, Authorized Participant or Direct Market Access Authorized Participant, or take other remedial action against such person, when necessary to protect the Exchange or its market users. This authority to take summary action is in addition to BCause’s emergency authority, described in the response to Core Principle 6.</p> <p>A Clearing Firm, Authorized Participant or Direct Market Access Authorized Participant continues to be subject to BCause’s disciplinary jurisdiction after such person ceases to have that status, for a period of at least 180 calendar days. See Rule 308.</p> <p>BCause rules 209, 602, 605 and 606 and the Compliance Manual along with NFA rules 3-2 through 3-13 fully address the requirements of CFTC subsections 38.701 through 38.712.</p>
<p><b>Core Principle 14 – Dispute Resolution</b></p> <p>The board of trade shall establish and enforce rules regarding, and provide facilities for alternative dispute resolution as appropriate for, market participants and any market intermediaries.</p>	<p>Pursuant to the RSA, NFA will administer the BCause arbitration program. BCause will appoint an Arbitration Committee from time to time to hear arbitration claims within the scope of the BCause Chapter 7 Arbitration Rules.</p> <p>BCause arbitration is available for claims against a Clearing Firm or Authorized Participant brought by a customer. See Rule 702. BCause has adopted by reference most provisions of the NFA Code of Arbitration with respect to such claims, subject to modifications to refer to BCause’s Arbitration Committee and President, and to define “Member” as used in the NFA Code of Arbitration to mean Clearing Firms and Authorized Participants. See Rules 702(b) and 704.</p> <p>BCause arbitration is also available for claims between or among Clearing Firms and Authorized Participants. See Rule 703. BCause has adopted by reference most provisions of the NFA Member Arbitration Rules with respect to such claims, subject to modifications to refer to BCause’s Arbitration Committee and President, and to define “Member” as used in the NFA Member</p>

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	<p>Arbitration Rules to mean Clearing Firms and Authorized Participants. See Rules 703(b) and 704.</p> <p>A Clearing Firm or Authorized Participant continues to be subject to BCause jurisdiction with respect to arbitration after such person ceases to have that status, for a period of at least 180 calendar days. See Rule 308.</p>
<p><b>Core Principle 15 – Governance Fitness Standards</b></p> <p>The board of trade shall establish and enforce appropriate fitness standards for directors, members of any disciplinary committee, members of the contract market, and any other person with direct access to the facility (including any party affiliated with any person described in this paragraph).</p>	<p>No one may serve on the BCause Board of Managers if such person (i) is subject to an action or proceeding that would constitute a basis for refusal to register such person under CEA Section 8a(2); (ii) would be subject to disqualification under CFTC Rule 1.63; or (iii) is suspended from serving on a board under federal law. See Rules 201(a) and (b) and 204(b).</p> <p>The same qualification standards also apply to the Regulatory Oversight Committee, because it is comprised solely of one or more Board members each of whom will be a Public Manager within the meaning prescribed by the CFTC in its guidance on Core Principal 16.</p> <p>BCause procedure documents entitled “Process for Individual Owner, Manager, Officer and Committee Member Qualification” and a questionnaire to be completed by such parties are included as part of this DCM application. The questionnaire is to be completed by the relevant parties prior to approval. Managers, Officers and Committee members will be required complete the questionnaire annually.</p>
<p><b>Core Principle 16 – Conflicts of Interest</b></p> <p>The board of trade shall establish and enforce rules:</p> <p>(a) To minimize conflicts of interest in the decision-making process of the contract market; and</p> <p>(b) To establish a process for resolving conflicts of interest described in paragraph (a) of this section.</p>	<p>In accordance with the BCause LLC Operating Agreement, the BCause Board of Managers will be comprised of eleven (11) members, one of who will be an officer or employee of a Clearing Firm. At all times not less than thirty-five percent (35%) of the Managers, but no less than four (4) individuals shall be Public Managers. See Rule 201(a) and BCause Bylaws.</p> <p>The Regulatory Oversight Committee will be comprised of one or more public Managers. See Rule 204(b). The Regulatory Oversight Committee is responsible for monitoring the sufficiency, effectiveness and independence of BCause’s regulatory program; overseeing the regulatory program and conduct of investigations; and reviewing BCause’s regulatory</p>

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	<p>budget and resources, including the number, hiring, termination and compensation of BCause’s regulatory personnel. See Rule 205(a) through (c). The Regulatory Oversight Committee is also responsible for supervising the CRO, who reports directly to the Committee, as well as assessing the capacity and resources of the Regulatory Service Provider to meet its requirements under the RSA. See Rule 205(d) and (e). The Regulatory Oversight Committee will prepare an annual report assessing BCause’s self-regulatory program for the Board and the CFTC; may recommend changes that would ensure fair, vigorous and effective regulation; and will review regulatory proposals and advise the Board as to whether and how such changes may impact regulation. See Rule 205(f) and (g).</p> <p>No member of the Board, the Business Conduct Committee, the Hearing Committee or any other BCause deliberative body may take part in any deliberation or vote on any matter in which the named party in interest is such member, such member’s employer or employee, or any other person that has a business, employment, or family relationship with such member that warrants abstention. See Rule 212. The procedures set out in Rule 212 for determining whether such a conflict of interest may exist are consistent with CFTC Rule 1.69 and Section 38.850.</p>
<p><b>Core Principle 17 – Composition of Governing Boards of Contract Markets</b></p> <p>The governance arrangements of the board of trade shall be designed to permit consideration of the views of market participants.</p>	<p>Rule 201(a) stipulates that one Board Member will be an officer or employee of a Clearing Firm.</p> <p>The Board has the authority to appoint from time to time committees comprised of officers, employees and/or other individuals. Such appointed committees will serve within the guidelines established by the Board. See Rule 204(d).</p>
<p><b>Core Principle 18 – Recordkeeping</b></p> <p>The board of trade shall maintain records of all activities relating to the business of the contract market:</p>	<p>BCause will maintain records of all activities related to its business for a period of five years and in accordance with Commission Regulation 1.31.</p>



Core Principle	BCause LLC Rule / Policy /Procedure
<p>(a) In a form and manner that is acceptable to the Commission; and</p> <p>(b) For a period of at least 5 years.</p>	
<p><b>Core Principle 19 – Antitrust Considerations</b></p> <p>Unless necessary or appropriate to achieve the purposes of this Act, the board of trade shall not:</p> <p>(a) Adopt any rule or taking any action that results in any unreasonable restraint of trade; or</p> <p>(b) Impose any material anticompetitive burden on trading on the contract market.</p>	<p>BCause has designed its rules to avoid unreasonable restraints of trade or the imposition of any material anti-competitive burden on trading.</p> <p>The Exchange will publish on its website daily information for volumes, open interest, settlement prices, both daily and historical.</p> <p>Furthermore, the Exchange will publish on its website information pertinent to its products such as upcoming contract month listings; proposed rule changes; and other information deemed pertinent to its markets.</p>
<p><b>Core Principle 20 – System Safeguards</b></p> <p>The board of trade shall:</p> <p>(a) Establish and maintain a program of risk analysis and oversight to identify and minimize sources of operational risk, through the development of appropriate controls and procedures, and the development of automated systems, that are reliable, secure, and have adequate scalable capacity;</p> <p>(b) Establish and maintain emergency procedures, backup facilities, and a plan for disaster recovery that allow for the timely</p>	<p>BCause will ensure that its Exchange System and Corporate Technologies meet NIST guidelines, specifically SP 800-53 – Security and Privacy controls for Federal Information Systems and Organizations. BCause has noted that the CFTC’s DCM Operational Capability Technology Questionnaire (“Questionnaire”) draws many of its requirements from NIST SP 800-53.</p> <p>The Exchange has addressed the CFTC’s Questionnaire in great detail. All aspects of Core Principle 20 have been addressed within the Exchange’s responses to the Questionnaire and through the various exhibits to the Questionnaire.</p>

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<p>recovery and resumption of operations and the fulfillment of the responsibilities and obligations of the board of trade; and</p> <p>(c) Periodically conduct tests to verify that backup resources are sufficient to ensure continued order processing and trade matching, transmission of matched orders to a designated clearing organization for clearing, price reporting, market surveillance, and maintenance of a comprehensive and accurate audit trail.</p>	
<p><b>Core Principle 21 – Financial Resources</b></p> <p>(a) <i>In General.</i> The board of trade shall have adequate financial, operational, and managerial resources to discharge each responsibility of the board of trade.</p> <p>(b) <i>Determination of adequacy.</i> The financial resources of the board of trade shall be considered to be adequate if the value of the financial resources exceeds the total amount that would enable the contract market to cover the operating costs of the contract market for a 1-year period, as calculated on a rolling basis.</p>	<p>BCause will maintain sufficient financial resources, consistent with CFTC standards, to cover its operating costs for at least one year on a rolling basis. The Exchange has developed financial projections for the period of 2016 through 20xx. The projections are being provided as part of this submission.</p> <p>BCause is submitting with its DCM application the BCause LLC financial statements for 2015 .</p>
<p><b>Core Principle 22 – Diversity of Board of Directors</b></p>	<p>While not a publicly traded company, BCause LLC will endeavor to recruit highly qualified individuals to serve</p>

Core Principle	BCause LLC Rule / Policy /Procedure
<p>The board of trade, if a publicly traded company, shall endeavor to recruit individuals to serve on the board of directors and the other decision-making bodies (as determined by the Commission) of the board of trade from among, and to have the composition of the bodies reflect, a broad and culturally diverse pool of qualified candidates.</p>	<p>on its Board and committees and will strive to do so with a culturally diverse pool of qualified candidates.</p>
<p><b>Core Principle 23 – Securities and Exchange Commission</b></p> <p>The board of trade shall keep any such records relating to swaps defined in section 1a(47)(A)(v) of the Act open to inspection and examination by the Securities and Exchange Commission.</p>	<p>Not applicable. The Exchange does not intend to offer products that would meet the definition of a swap.</p>